

# Fax Memo



11 Pages

DATE: December 17, 1999

TO: Jeff Meserve  
AIG

FROM: Jennie Wu  
Lockton Companies

- 2930

RE: IHS of Lester, Inc.  
Umbrella Policy #: BE3574344  
Renewal Effective: **01/01/00**

FAX TO: 617-4576874

Attached are the specs for the renewal.

Please forward renewal quote to my attention asap.

For your reference, we have attached our 05/28/99 fax outlining the corrections needed on the current policy.

Should you have any questions, please call.

NU-U/W 03027

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**LOCKTON COMPANIES**  
Insurance and Risk Management Specialists  
7910 34<sup>th</sup> Avenue, #5G / Jackson Heights, NY 11372  
Phone: (718) 397-8988 / Fax: (718) 397-8987

**LOCKTON COMPANIES**

**Umbrella Liability for IHS of Lester, Inc.**

Policy Term: 01/01/00 - 01  
Policy Form: Occurrence  
Territory: Worldwide Coverage

*gml*

**COVERAGE LIMITS**

Each Occurrence Limit	2,000,000
Aggregate Limit	Per location 2,000,000
Policy Aggregate	2,000,000

Deductibles or	25,000
Self Insured Retention	Applies on a blanket basis over Underlying insurance

Locations:	Listing of facilities attached
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NU-U/W 03028

**LOCKTON COMPANIES**

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**Umbrella Liability for IHS of Lester, Inc.**

**COVERAGES, TERMS & CONDITIONS**

**1 Broad Named Insured:**

*"The named insured includes any and all past, present or hereafter formed or acquired subsidiary companies, corporations, firms or organizations (excluding joint ventures) which are owned, financially controlled, under management control or for which you are obligated to provide insurance. This supersedes any reference in the policy to newly acquired organizations."*

**2. Provide Coverage for Joint Ventures.**

**3. Coverage provided to be on a "pay on behalf of" basis.**

**4. Defense and Investigation coverage to be provided on a first dollar basis (not subject to S.I.R.).**

**5. Non-Concurrence Endorsement:**

*"Whereas, the underlying policy(ies) listed in the Schedule of Underlying Insurance including renewals or replacements thereof, are non-concurrent with the policy period hereunder, and Whereas, the Insured has no knowledge of accidents or occurrences having taken place during the period(s) of the underlying policy(ies) listed in the Schedule of Underlying Insurance to the inception of this excess policy; Now therefore, in consideration of the premium charged, in the event of reduction or exhaustion of the aggregate limit(s) of the underlying policy(ies) listed in the Schedule of Underlying Insurance by reason of losses in respect of occurrences or accidents prior to the inception of this excess policy, it is agreed that such insurance as is afforded by this policy shall, subject to the terms and conditions of the underlying insurance:*

*1. In the event of reduction, apply in excess of the reduced underlying limits.*

*2. In the event of exhaustion, continue in force as underlying insurance. Anything in this endorsement to the contrary notwithstanding, this policy applies only to occurrences happening during the policy period."*

**6. Provide coverage for Volunteers as Insureds.**

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## **LOCKTON COMPANIES**

### **Umbrella Liability for IHS of Lester, Inc.**

7. **Clubs Endorsement:**  
*"Insured" includes any association, club or other organization and your employees who are members thereof provided such entity is formed for or by your employees for social or recreational purposes with your knowledge and consent."*
8. Include Employees as Insureds.
9. **Additional Insureds:**  
 Follow form of primary General & Professional Liability.
10. Include automatic additional insured status for any person or entity to the extent required by contract.
11. Coverage territory to be worldwide.
12. **Fellow Employee:**  
 Delete any fellow employee exclusion as respects .
13. Delete any occupational disease exclusion.
14. Provide coverage for pollution arising from hostile fire, explosion, products, completed operations, sudden and accidental pollution occurring on insured's premises, sites or location including pollution arising out of mechanical breakdown or equipment failure.
15. Provide coverage for pollution arising from overturn collision or upset of a vehicle anywhere in the coverage territory.
16. Amend any care, custody, control exclusion to not apply to premises in insured's care, custody or control.
17. Amend blanket contractual coverage to include auto contractual.
18. **Intentional Injury:**  
 Amend intentional injury to include property damage and delete the word "reasonable".
19. Provide coverage for loss of use of property not physically impaired.
20. **Impaired Property:**  
 Amend impaired property exclusion to provide coverage for property damage arising out of defective, deficient, inadequate or dangerous conditions in the insured's product.
21. Delete exclusion, if any, for personal injury contractual.
22. Eliminate any requirement for reinstatement of underlying coverage.

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**LOCKTON COMPANIES**

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**Umbrella Liability for IHS of Lester, Inc.**

23. Provide coverage for non-owned watercraft.
24. Provide coverage for non-owned aircraft.
25. **Knowledge of Occurrence:**  
*"Knowledge of an occurrence by your agent, servant, or employee shall not constitute knowledge by you unless an executive officer, partner, proprietor or risk manager employee has received such notice."*
26. **Notice of Occurrence:**  
*"The company shall not deny coverage as the result of an unintentional failure by you to give notice as respects any occurrence, provided notice is given as soon as practicable after becoming aware that this policy may apply to such occurrence."*
27. **Notice of Cancellation or Material Change:**  
*"In the event the policy is cancelled or materially changed at the request of the company, 90 days notice will be provided to you, except in the event of non-payment of premium in which case notice will be 10 days."*
28. **Notice of Non-Renewal:**  
*"In the event the policy is non-renewed at the request of the company, 90 days notice will be provided to the insured, except in the event of non-payment of premium in which case notice will be 10 days."*
29. **Unintentional Failure to Disclose:**  
*"Your unintentional error or omission shall not be a basis for denial of any coverage afforded by this policy."*
30. **Provide a Waiver of Subrogation -** *"If the insured has rights to recover all or part of any payment we have made under this Coverage part those rights are transferred to us. The insured must do nothing after loss to impair them. At our request the insured will bring suit or transfer those rights to us and help us enforce them."*
31. **Broad Form Property Damage:**  
Delete any exclusion relating to property damage to the insured's products, completed operations, or work performed by others on the insured's behalf, or relating to property in the insured's care, custody or control and replace with the following:  
*"Coverage is not provided for the insured's liability for damage:*

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**LOCKTON COMPANIES**

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**Umbrella Liability for IHS of Lester, Inc.**

- I. *To property owned or occupied by or rented to the insured, or except with respect to the use of elevators, to property held by the insured for sale or entrusted to the insured for storage or safekeeping;*
- II. *Except with respect to liability under a written sidetrack agreement or the use of elevators*
  - A. *to property while on premises owned by or rented to the insured for the purpose of having operations performed on such property by or on behalf of the insured,*
  - B. *to tools or equipment while being used by the insured in performing his operations,*
  - C. *to property in the custody of the insured which is to be installed, erected or used in construction by the insured,*
  - D. *to that particular part of any property, not on premises owned by or rented to the insured,*
    1. *upon which operations are being performed by or on behalf of the insured at the time of the property damage arising out of such operations,*
    2. *out of which any property damage arises, or*
    3. *the restoration, repair or replacement of which has been made or is necessary by reason of faulty workmanship thereon by or on behalf of the insured*

*With respect to the completed operations hazard, to property damage to work performed by the named insured arising out of the work or any portion thereof, or out of materials part or equipment furnished in connection therewith."*

**32. Language:**

*"The language of the policy and all endorsements shall be deemed to be that of the insurance company."*

NU-UW 03032

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Hanover  
39 Hanover Circle  
Birmingham, AL 35205

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Mesa Manor  
2901 North 12th Street  
Grand Junction, CO 81506-2897

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Pueblo  
2611 Jones Avenue  
Pueblo, CO 81004-2650

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Bradenton  
2302 59th Street West  
Bradenton, FL 34209-7009

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Palm Bay  
1515 Port Malabar Blvd. NE  
Palm Bay, FL 32905-5455

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Sebring  
3011 Kenilworth Blvd.  
Sebring, FL 33870-4310

Integrated Health Services of  
Atlanta at Buckhead  
54 Peachtree Park Drive  
Atlanta, GA 30309-1318

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Great Bend  
1560 K-96 Highway  
Great Bend, KS 67530

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Mayfair Manor  
3300 Tales Creek Road,  
Lexington, KY 40502-3408

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Alexandria  
5115 MacArthur Drive  
Alexandria, LA 71302-2999

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Cheyenne Mountain  
835 Tenderfoot Hill Road  
Colorado Springs, CO 80906-3999

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Pikes Peak  
2719 N. Union Blvd.  
Colorado Springs, CO 80909-1145

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services Fort Myers  
13755 Golf Club Pkwy  
Ft. Myers, FL 33919-5146

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Orange Park  
2029 Professional Center Drive  
Orange Park, FL 32073-4461

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Port Charlotte  
4033 Beaver Lane  
Port Charlotte, FL 33952-9277

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Winter Park  
2970 Scarlet Road  
Winter Park, FL 32792-4399

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Atlanta at Shoreh  
811 Kennesaw Avenue  
Marietta, GA 30060-1092

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Wichita  
5005 East 21st North  
Wichita, KS 67208

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Shreveport  
225 Wyandotte  
Shreveport, LA 71101-4998

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Lafayette  
325 Bacque Crescent Drive  
Lafayette, LA 70501

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Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Kaplan  
1300 West 8th Street  
Kaplan, LA 70548-2996

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Many  
Hwy 6 East  
PO Box 360  
Many, LA 71449-0360

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Marrero  
5301 August Lane  
Marrero, LA 70072-3699

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Heritage North  
1803 Jane St.  
PO Box 9459  
New Iberia 70562-9459

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Claiborne  
1536 Claiborne  
Shreveport, LA 71103-4297

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Vivian  
912 S. Pecan Street  
Vivian, LA 71082-3313

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of  
Charlotte at Hawthorne  
333 Hawthorne Lane  
Charlotte, NC 28204

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Plainview  
2510 West 24th  
Plainview, TX 79072-1884

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Wichita Falls  
601 Midwestern Parkway  
Wichita Falls, TX 76302-2499

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of  
Texas at Terrell Care  
204 West Nash  
Terrell, TX 75160-2607

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Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Lafayette  
325 Bacque Crescent Drive  
Lafayette, LA 70501-2842

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Many South  
255 Middle Creek Road  
PO Box 360  
Many, LA 71449-0360

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Minden  
400 Meadowview Drive  
Minden, LA 71055-3522

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Heritage South  
PO Box 9984  
New Iberia, LA 70562-9984

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Thibodaux  
1300 Lafourche Drive  
Thibodaux, LA 70301-2498

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services at Pierremont  
725 Mitchell Lane Shreveport  
LA 71106-2100

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Nashville  
2733 McCampbell  
Nashville, TN 37214

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Iowa Park  
1109 North 3rd Street  
Iowa Park, TX 76367-1299

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of Terrell  
1800 North Frances  
Terrell, TX 75160-1217

Integrated Health Services of Lester, Inc.  
dba Integrated Health Services of  
West Virginia  
One Jeffersonian Manor  
Charles Town, WV 25414



**Underlying policies for Policy # BE3574344 (Lester Umbrella)**

**1) Type of Coverage:** General / Professional Liability  
Insurer: Reliance National  
Policy #: NGB0151564-00  
Policy Period: 01/01/99-0  
Aggregate Reinstatement applies to limits

Professional Liability

Each Medical Incident per location: 2,000,000  
Annual Aggregate: 4,500,000

General Liability

Aggregate per location: 2,500,000  
Products and Completed Operations Limit: 2,500,000  
Personal Injury and Advertising Injury Limit: 1,000,000  
Each Occurrence: 1,000,000  
Fire Damage: 100,000

Employee Benefits Limit (Claims Made)

Limit: 1,000,000  
Aggregate: 2,500,000

**2) Type of Coverage:** Automobile Liability (Texas)

Insurer: Reliance National  
Policy #: NKA0134096-02  
Policy Period: 01/01/99-00  
Combined Single Limit: 1,000,000

**3) Type of Coverage:** Automobile Liability (All States except Texas)

Insurer: Reliance National  
Policy #: NKA013479-02  
Policy Period: 01/01/99-00  
Combined Single Limit: 1,000,000

**4) Type of Coverage:** Workers Compensation and Employers Liability

Insurer: Travelers  
Policy #: UC2J-UB-100D0667-TIL-99  
Policy Period: 01/01/99-00  
Bodily Injury Limit per accident: 1,000,000  
Bodily Injury Limit per disease: 1,000,000  
Bodily Injury Limit per disease each employee: 1,000,000

Print Date: 05/28/99

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BE3574344 Cont

**5) Type of Coverage:** Workers Compensation and Employers Liability

Insurer: Travelers

Policy #: UDRJ-UB-100D0735-TIL-99

Policy Period: 01/01/99-00

Bodily Injury Limit per accident: 1,000,000

Bodily Injury Limit per disease: 1,000,000

Bodily Injury Limit per disease each employee: 1,000,000

**6) Type of Coverage:** Excess Workers Compensation

Insurer: Travelers

Policy #: UWXI-UB100DD0759-TIL-99

Policy Period: 01/01/99-00

Limit: 1,000,000

**7) Type of Coverage:** Texas Occupational Accident & Health

Insurer: United National Insurance Company

Policy #: POA0050504

Policy Period: 01/01/99-00

Limit: 1,000,000

**8) Type of Coverage:** Texas Excess Employers Liability

Insurer: United National Insurance Company

Policy #: PEL0003059

Policy Period: 01/01/99-00

Limit: 1,000,000

NU-U/W 03036

Print Date: 05/28/99